FINAL VERSION

RULE B-30 – DEVIATION TESTS

The maximum point at which a well penetrates the producing formation shall not unreasonably vary from the vertical drawn from the center of the hole at the surface. Deviations in excess of the following shall be deemed to be unreasonable: More than 3 degrees from the vertical drawn from the center of the hole at the surface.

The Commission shall have the right to make, or to require the operator to make a directional survey of the hole, under the following circumstances: (a) in all cases where the operator has proposed to deliberately drill a directional well from an exceptional surface location and/or to an exceptional bottom hole location; (b) prior to a permit being issued, if an off-set operator requests a directional survey and agrees in writing to pay all costs and expenses of such survey and to assume liability for all risks associated with the survey and further posts a bond in sufficient sum as determined by the Commission as security against all costs and risks associated with the survey or, (c) at any time, by order of the Commission, if the Commission is first presented with substantial evidence that it is likely that the well was drilled other than at the location permitted or that the well has deviated in the direction of a unit boundary to a bottom location which would necessitate an increased penalty upon the well's production allowable. The Commission shall have the continuing jurisdiction to assess the expense and risk of such survey between the operator and any opposing party.